



STATE OF MINNESOTA  
OFFICE OF THE ATTORNEY GENERAL

ADDRESS REPLY TO:  
OFFICE OF THE ATTORNEY GENERAL  
MINNESOTA POLLUTION CONTROL AGENCY  
1935 W. COUNTY ROAD B2  
ROSEVILLE, MINNESOTA 55113  
(612) 296-7342

September 15, 1982

Edward J. Schwartzbauer  
Dorsey & Whitney  
2200 First National Bank Bldg.  
Minneapolis, MN 55402

Re: United States v. Reilly Tar & Chemical Corporation, et al.  
Civ. File No. 4-80-469

Dear Ed:

This letter is written as a follow-up to our meeting of August 24, 1982, at the Office of the United States Attorney.

Many areas of common agreement were discussed between the Reilly Tar representatives and the State and federal representatives. In general, there appears to be agreement that the highest priorities include assurance of potable water supplies to the City of St. Louis Park and continued groundwater monitoring. The State explained its drinking water criteria of 28 nanograms per liter for the sum of carcinogenic PAH compounds and 280 nanograms per liter for the sum of noncarcinogenic PAH. Other priorities reviewed include the control or elimination of source material and the control of pathways for contaminant movement. Everyone agreed that explanation of the elements of a comprehensive solution to the public, and response to public input, are not only required under the Superfund Act but essential to successful resolution of the problem.

The water treatment study supported by federal funding is now underway. As we discussed, the State has agreed to ERT's attendance at milestone meetings of the review panel established for that study. We expect to hear from you shortly on Reilly Tar's intentions for further participation in water treatment, including payment of the study and/or the conduct of parallel studies.

There appears to be general agreement that monitoring groundwater and understanding the dynamics of pollutant transport

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are also high priorities. Many of the parameters have been established and some of the modeling work has been accomplished. ERT advised that its expertise in these areas was not comparable to its expertise in water treatment and that it would need to evaluate whether it could make a technical contribution in these areas.

ERT advised that source control and control of pathways for contaminant movement are closely linked and need to be considered together. You suggested that ERT submit a proposal to treat the source material south of Highway 7. We note that you made the same suggestion in your letter of July 28 to Erica Dolgin. Addressing source material south of Highway 7, and at other locations on or near the site, is important to the State and has been included in the recently approved proposal for Superfund work.

The governmental representatives emphasized that a comprehensive solution or "whole package" needs to be developed and that the cooperative agreement currently under final review by EPA outlines the path to such a solution. Contracting for the near-term work (source material study, well abandonment and hydraulic stress testing), to be funded with the \$1.9 million Superfund grant, will begin with publication of Requests for Credentials (RFC) in early November. From the August 24 meeting, we inferred that Reilly Tar will likely submit a comprehensive solution in advance of the RFC's (i.e. by November 1). Would you confirm Reilly Tar's present intentions on submitting such a proposal.

With regard to the continuing cooperation of State personnel with ERT in the investigation and sampling of the Reilly Deep Well (Well No. 23), our understanding is that you have authorized ERT to dialogue openly with the MPCA staff and to incur on Reilly Tar's behalf certain additional expenses pertaining to the well investigation. The first billing on these expenses is expected in a few days and will be forwarded to you for payment.

The meeting on August 24 made significant progress toward a mutual understanding of the respective priorities of the parties. We now need your advice as to Reilly Tar's participation in the

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water treatment work and plans for proposing a comprehensive solution.

Very truly yours,



STEPHEN SHAKMAN  
Special Assistant  
Attorney General

SS/ps

cc: Erica L. Dolgin  
~~Robert E. Leininger~~  
Paul Bitter  
David Giese  
Michael Hansel  
Dennis M. Coyne

P.S. Would you ask ERT to provide Mike Hansel the details on the TOC analysis of groundwater and on the PAH analysis of pristine peat bog water, as discussed at the August 24 meeting. Thank you.